



MICHIGAN DISTRIBUTORS AND VENDORS ASSOCIATION, INC.

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Polly T. Reber, PRESIDENT

TO: Members of the House Agriculture Committee

RE: SB 774

DT: June 7, 2016

The system of licensing and inspection of food vending machines and office coffee service in the state of Michigan is inconsistent, costly and over-burdensome; and does not serve the public health of the state's citizens well, nor the industry itself.

Michigan has 45 local public health departments, each with its own licensing and fee structures for food vending machines and office coffee service.

A vending business includes a warehouse from which that business sends out delivery trucks with food and beverages to supply the company's vending machines and office coffee services at their vending accounts across the state.

Vending businesses have vending machine accounts in the jurisdictions of multiple local public health departments. Most larger size vending businesses have accounts in 10, 15, or even 20 different local public health departments, each department with their own licensing fee system, cost, structure, and inspection process.

Some local public health departments have a licensing fee for both the vending business and the locations where machines are placed, some include per machine fees in addition to location, and some include a per machine, per location fee. There is also no consistency among the various inspection processes in these different local public health departments.

SB 774 proposes a statewide system of licensing and compliance inspections administered by one full-time employee at MDARD, trained in the system. The bill proposes a fair and consistent fee structure for businesses as well as a competent inspection system statewide.

It is important to note that the purpose of these inspections is for licensing, regulation, and compliance. The purpose is not to check for "sell-by" dates or product freshness. That would be impossible to do without inspecting every vending machine every day. Significant competition exists within the marketplace in the vending industry to assure the quality of the product.

SB 774 was voted out of Senate Agriculture Committee by a unanimous vote; and passed the Senate by a by-partisan vote of 32 to 4.

Please vote yes on SB 774.
Thank you.